

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

FINANCE AND AUDIT COMMITTEE

FRIDAY, FEBRUARY 18, 2011

AT 2:00 P.M.

IN THE MARY BRENNAN BOARD ROOM,

T. F. GREEN AIRPORT, 2000 POST ROAD

WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (“Corporation”) Finance and Audit Committee was called to order by Chairman, Russell W. Hahn, at 2:00 p.m., in the Mary Brennan Board Room at T. F. Green Airport, 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

COMMITTEE MEMBERS PRESENT: Russell W. Hahn; Kathleen C. Hittner, M.D., Joseph M. Cianciolo.

COMMITTEE MEMBERS ABSENT: Joseph S. Larisa; Deborah M. Thomas.

BOARD MEMBER PRESENT: Robert D. Sangster (arrived at 2:15 p.m.)

ALSO PRESENT: Kevin A. Dillon, A.A.E., President and CEO; and

those individuals listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Dr. Hittner and seconded by Mr. Cianciolo to approve the Minutes of the Finance and Audit Committee Meeting of September 22, 2010. The motion was passed unanimously.

2. Discussion Item:

(a) Discussion of Year-to-Date Financial Results Through December 31, 2010.

Mr. Schattle gave an overview of year-to-date financial results through December 31, 2010. The overview focused on revenues and expenses, with a specific focus on variances versus budget in the various line items, particularly in the area of concessions and parking. Mr. Schattle noted that the focus continues to be on looking for opportunities to maximize revenues. Mr. Schattle noted that the Corporation is continuing to aggressively manage its cost structure. There was general discussion of expenses related to the InterLink facility.

3. Action Item:

(a) Consideration of and Action Upon Write-Offs of Accounts

Receivable Balances.

Mr. Schattle gave an overview of the outstanding balances, noting that the Finance Committee is authorized to approve the write-off of accounts receivable in amounts greater than \$10,000 and up to a total of \$100,000 in the aggregate during any RIAC fiscal year. The recommendation is that the Committee authorize the Chief Financial Officer to write-off the following accounts receivable balances:

- New England Furniture Craft - \$11,117,**
- University of Illinois - \$6,000,**
- Cindtronix - \$21,806,**
- Ed Majors - \$1,550,**
- Paul Maziarz - \$1,315,**
- Sky King - \$8,837,**
- Antone Viveiros - \$1,052, and**
- Other immaterial balances (individually less than \$500) for items that are determined to be uncollectible.**

There was general discussion of the individual accounts.

A motion was made by Mr. Cianciolo and seconded by Dr. Hittner to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation (RIAC) is a public corporation, governmental agency and instrumentality of the State of

Rhode Island and Providence Plantations (the "State") organized and existing under Chapter 64 of Title 42 of the Rhode Island General Laws, as amended (the "Act") as a subsidiary public corporation of the Rhode Island Economic Development Corporation; and

WHEREAS, RIAC is responsible for the collection of revenues to include all fees, income, rents and receipts, received or accrued; and

WHEREAS, RIAC maintains an accounts receivable general ledger; and

WHEREAS, the RIAC Board of Directors established a Write-Off Policy regarding accounts receivable at the December 1999 Board of Director's meeting; and

WHEREAS, the RIAC Finance Committee is authorized to approve the write-off of accounts receivable in amounts greater than \$10,000 and up to a total of \$100,000 in the aggregate during any RIAC fiscal year; and

WHEREAS, RIAC staff recommends that \$51,677 of Accounts Receivable balances primarily caused by tenant abandonment be written-off; and

WHEREAS, in addition, RIAC staff requests approval to write-off other immaterial balances (individually less than \$500) for items that

are determined to be uncollectible.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Finance and Audit Committee hereby authorizes the Chief Financial Officer to write-off the following accounts receivable balances:

- New England Furniture Craft - \$11,117,**
- University of Illinois - \$6,000,**
- Cindtronix - \$21,806,**
- Ed Majors - \$1,550,**
- Paul Maziarz - \$1,315,**
- Sky King - \$8,837,**
- Antone Viveiros - \$1,052, and**
- Other immaterial balances (individually less than \$500) for items that are determined to be uncollectible.**

The motion was passed unanimously.

4. Executive Session:

At approximately 2:18 p.m., a motion was made by Mr. Cianciolo and seconded by Dr. Hittner to go into Executive Session for the purposes of discussing the following items:

(a) Motion to Approve the Minutes of the Executive Session Held on June 10, 2010 – R.I.G.L. § 42-46-5(a), (2) and (7); and

(b) Motion to Return to Open Session.

By the following roll call vote the motion was passed unanimously.

YEAS: Russell W. Hahn

Kathleen C. Hittner, M.D.

Joseph M. Cianciolo

NAYS: None

ABSTAIN: None

At approximately 2:21 p.m., a motion was made by Mr. Cianciolo and seconded by Dr. Hittner to reconvene to the Open Session. The motion was passed unanimously.

5. Post Executive Session Actions and Announcements:

During the Executive Session a motion was made to approve the sealed minutes of the Executive Session held on June 10, 2010. The motion was passed unanimously.

6. Future Meetings:

The next meeting will be announced.

7. Adjournment:

Mr. Cianciolo moved to adjourn at approximately 2:22 p.m. Dr. Hittner seconded the motion. The motion was carried by acclamation.

Respectfully submitted,

**Russell W. Hahn, Chairman
Finance and Audit Committee of
the Rhode Island Airport Corporation**

**ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
FINANCE AND AUDIT COMMITTEE
FEBRUARY 18, 2011**

Peter Frazier RIAC

Brian Schattle RIAC

**MINUTES OF THE EXECUTIVE SESSION
OF THE RHODE ISLAND AIRPORT CORPORATION
FINANCE AND AUDIT COMMITTEE
FRIDAY, FEBRUARY 18, 2011**

1. At approximately 2:18 p.m., a motion was made by Mr. Cianciolo and seconded by Dr. Hittner to go into Executive Session. By roll call vote the motion was passed unanimously.

2. A motion was made by Dr. Hittner and seconded by Mr. Cianciolo to approve the minutes of the Executive Session held on June 10, 2010. The motion was passed unanimously.

At approximately 2:21 p.m., a motion was made by Mr. Cianciolo and seconded by Dr. Hittner to reconvene to the Open Session. The motion was passed unanimously.